

HOUSE No. 2682

The Commonwealth of Massachusetts

PRESENTED BY:

Ruth B. Balser

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act relative to the taxation of public land leased for commercial purposes.

PETITION OF:

| NAME: | DISTRICT/ADDRESS: |
|----------------------|-------------------|
| Ruth B. Balser | 12th Middlesex |
| Elizabeth A. Malia | 11th Suffolk |
| Denise Provost | 27th Middlesex |
| Susan C. Fargo | Third Middlesex |
| Kay Khan | 11th Middlesex |
| Jennifer M. Callahan | 18th Worcester |

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. 2995 OF 2007-2008.]

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT RELATIVE TO THE TAXATION OF PUBLIC LAND LEASED FOR COMMERCIAL PURPOSES.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 2B of chapter 59 of the General Laws, as appearing in the 2006
2 Official Edition, is hereby amended by striking out the third paragraph and inserting in place
3 thereof the following paragraph:-

4 This section shall not apply to the property of the United States, or any instrumentality
5 thereof, for which payments are made in lieu of taxes in amounts equivalent to taxes which
6 might otherwise be lawfully assessed, on behalf of the United States or any instrumentality
7 thereof, for which payments are made in lieu of taxes in amounts equivalent to taxes which
8 might otherwise be lawfully assessed, in behalf of the United States or any instrumentality
9 thereof; or to the property of the United States, or any instrumentality thereof, which is used by a
10 manufacturing corporation so classified under chapter 58.

11 SECTION 2. Section 24 of chapter 161A of the General Laws, as so appearing, is
12 hereby amended by inserting after the first paragraph the following paragraph:-

13 Real property of the Authority shall, if leased, used, or occupied in connection with a
14 business conducted for profit shall, for the privilege of such lease, use or occupancy be valued,
15 classified, assessed and taxed annually as of January first to the lessee, user, or occupant in the
16 same manner and to the same extent as if such lessee, user, or occupant were the owner thereof
17 in full. No tax assessed under this section shall be a lien upon the real estate with respect to
18 which it is assessed; no shall any tax be enforced by any sale or taking of such real estate; but the
19 interest of any lessee therein may be sold or taken by the collector of the town in which the real
20 estate lies for the nonpayment of such taxes in the manner provided by law for the sale or taking
21 of real estate for nonpayment of annual taxes. Notwithstanding the above, such collector shall

22 have for the collection of taxes assessed under this section all other remedies provided by chapter
23 sixty for the collection of annual taxes upon real estate.

24 SECTION 3. Section 13 of chapter 161B of the General Laws, as so appearing, is hereby
25 amended by inserting after the word "taxation", in the first sentence, the following words:-
26 except as hereinafter provided.

27 SECTION 4. Section 13 of chapter 161B of the General Laws is hereby further amended
28 by inserting after the first paragraph the following paragraph:-

29 Real property of the Authority shall, if leased, used, or occupied in connection with a
30 business conducted for profit shall, for the privilege of such lease, use or occupancy be valued,
31 classified, assessed and taxed annually as of January first to the lessee, user or occupant in the
32 same manner and to the same extent as if such lessee, user or occupant were the owner thereof
33 in full. No tax assessed under this section shall be a lien upon the real estate with respect to
34 which it is assessed; nor shall any tax be enforced by any sale or taking of such real estate; but
35 the interest of any lessee therein may be sold or taken by the collector of the town in which the
36 real estate lies for the nonpayment of such taxes in the manner provided by law for the sale or
37 taking of real estate for nonpayment of annual taxes. Such collector shall have for the collection
38 of taxes assessed under this section all other remedies provided by chapter sixty for the
39 collection of annual taxes upon real estate.

40 SECTION 5. The first sentence of section 17 of chapter 465 of the acts of 1956 as most
41 recently amended, is hereby amended by striking out the words "commonwealth, and no
42 property of the Authority shall be taxed to a lessee thereof under section three A of chapter fifty-
43 nine of the General Laws; provided, however, that anything herein to the contrary
44 notwithstanding, lands of the Authority, except lands acquired by the commonwealth under the
45 provisions of chapter seven hundred and five of the acts of nineteen hundred and fifty-one
46 situated in that part of the city called South Boston and constituting part of the Commonwealth
47 Flats, and land acquired by the Authority which were subject to taxation on the assessment date
48 next preceding the acquisition thereof," and inserting in place thereof the following words:-

49 Commonwealth; provided, however that anything herein to the contrary notwithstanding,
50 lands of the Authority.

51 SECTION 6. The first paragraph of section 17 of chapter 465 of the acts of 1956 as most
52 recently amended, is hereby further amended by striking out the sentence "No such property
53 shall be taxed to a lessee thereof from the Authority regardless of the date of acquisition of such
54 property by the Authority."

55 SECTION 7. Section 6 of chapter 701 of the acts of 1960 is hereby amended by adding
56 the following paragraph:-

57 Real property of the Authority shall, if leased, used, or occupied in connection with a
58 business conducted for profit shall, for the privilege of such lease, use or occupancy be valued,
59 classified, assessed and taxed annually as of January first to the lessee, user, or occupant in the

60 same manner and to the same extent as if such lessee, user, or occupant were the owner thereof
61 in full. No tax assessed under this section shall be a lien upon the real estate with respect to
62 which it is assessed; nor shall any tax be enforced by any sale or taking such real estate; but the
63 interest of any lessee therein may be sold or taken by the collector of the town in which the real
64 estate lies for the nonpayment of such taxes in the manner provided by law for the sale or taking
65 of real estate for nonpayment of annual taxes. Such collector shall have for the collection of
66 taxes assessed under this section all other remedies provided by chapter sixty for the collection
67 of annual taxes upon real estate.

68 SECTION 8. Section 36 of chapter 190 of the Acts of 1982 is hereby amended by
69 inserting after the first sentence the following paragraph:-

70 Real property of the Authority shall, if leased, used or occupied, in connection with a
71 business conducted for profit shall, for the privilege of such lease, use, or occupancy be valued,
72 classified, assessed and taxed annually as of January first to the lessee, user or occupant in the
73 same manner and to the same extent as if such lessee, user, or occupant were the owner thereof
74 in full. No tax assessed under this section shall be a lien upon the real estate with respect to
75 which it is assessed; nor shall any tax be enforced by any sale or taking of such real estate; but
76 the interest of any lessee therein may be sold or taken by the collector of the town in which the
77 real estate lies for the nonpayment of such taxes in the manner provided by law for the sale or
78 taking of real estate for nonpayment of annual taxes. Such collector shall have the collection of
79 taxes assessed under this section all other remedies provided by chapter sixty for the collection
80 of annual taxes upon real estate.

81 SECTION 9. Section 9 of chapter 372 of the Acts of 1984 is hereby amended by adding
82 the following paragraph:-

83 Real property of the Authority shall, if leased, used, or occupied in connection with a
84 business conducted for profit shall, for the privilege of such lease, use, or occupancy be valued,
85 classified, assessed and taxed annually as of January first to the lessee, user or occupant in the
86 same manner and to the same extend as if such lessee, user, or occupant were the owner thereof
87 in full. No tax assessed under this section shall be a lien upon the real estate with respect to
88 which it is assessed; nor shall any tax be enforced by any sale or taking of such real estate; but
89 the interest of any lessee therein may be sold or taken by the collector of the town in which the
90 real estate lies for the nonpayment of such taxes in the manner provided by law for the sale or
91 taking of real estate for nonpayment of annual taxes. Such collector shall have for the collection
92 of taxes assessed under this section all other remedies provided by chapter sixty for the
93 collection of annual taxes upon real estate.